modus-operandi of the fraud and the precautions required to be taken to prevent its recurrence.

Sale of gold to increase foreign exchange reserves

†26. SHRI P. K. MAHESHWARI: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government propose to increase its foreign exchange reserves by selling off some gold from its gold reserves in view of steep rise in gold prices; and

(b) if so, the quantity of gold to be sold and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) The foreign exchange reserves of the country include gold, foreign currency assets and SDRs (Special Drawing Rights issued by IMF to GOI). Whenever the gold prices go up the value of our reserves also goes up on account of revaluation. By seeling gold and acquiring other foreign currency assets, the level of reserves will not change. The Reserve Bank of India is not contemplating any sales from its gold reserves.

Assistance for Singhastha Kumbha at Ujjain

†27. SHRI P. K. MAHESHWARI: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) the funds and other facilities demanded by Government of Madhya Pradesh from the Central Government for forthcoming Singhastha Kumbha at Ujjain;

(b) the assistance already provided by the Central Government to Madhya Pradesh so far alongwith the assistance assured to be provided; and

(c) the amount of funds provided by the Central Government during the last Singhastha?

†Original notice of the question was received in Hindi.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) The State Government of Madhya Pradesh has requested Central assistance of Rs. 198 crore for forthcoming Singhastha Kumbha 2004 at Ujjain.

(b) The Additional Central assistance of Rs. 20 crore for widening of roads in Ujjain city for Singhastha 2004 has already been released by the Central Government. (Hon'ble Prime Minister has assured the Chief Minister of Madhya Pradesh that reasonable assistance would be provided to the State.) At the time of plan discussions 2003-04 further requirements for development of infrastructure/facilities for Kumbha Mela at Ujjain can be posed by Madhya Pradesh. The plan discussions for the State of Madhya Pradesh for 2003-04 will commence soon.

(c) An additional Central assistance of Rs. 55 crore was provided for last Maha Kumbh Mela at Allahabad during 2000-01.

Loans by financial institutions

28. SHRI DINA NATH MISHRA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that Public Sector Financial Institutions are avoiding extending loans to large/medium industries for fear of accountability in the event of loan becoming Non-Performing Asset (NPA);

(b) whether it is also a fact that the above said tendency of financial institutions is either driving genuine-borrowers towards comparatively costly alternatives or compelling them to shelve their projects; and

(c) if so, in what manner Government propose to check this negative trend and ensure requisite flow of credit to entrepreneurs?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) No, Sir.

(b) and (c) Do not arise.